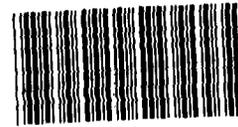


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MILITARY BASES

Army's Planned Consolidation of Research, Development, Test, and Evaluation



149019

**National Security and
International Affairs Division**

B-248366

April 29, 1993

The Honorable Robert C. Byrd
Chairman, Committee on Appropriations
United States Senate

The Honorable William H. Natcher
Chairman, Committee on Appropriations
House of Representatives

The November 18, 1991, conference report on the Department of Defense's (DOD) fiscal year 1992 Appropriations Act required us to study and report on DOD's plans to consolidate its defense research and development laboratories, with special emphasis on naval research, development, test, and evaluation; engineering; and fleet support activities. On August 20, 1992, we issued a report to your Committees on the Navy,¹ which addressed cost and savings data; personnel assumptions; duplication of research among the services; and research, development, test, and evaluation relative to the force structure. This report provides information on military construction costs and civilian personnel position savings relative to Army laboratory consolidations.

Results in Brief

The Army is consolidating and/or converting over 40 laboratory functions into several streamlined organizations. Specifically, the consolidations reviewed by the 1991 Defense Base Closure and Realignment Commission included the Combat Materiel Research Laboratory² Medical Research and Development Command, and the Corps of Engineers Laboratory. Only the Army Research Laboratory consolidation requires military construction, and that cost estimate has increased slightly since it was submitted to the Commission in April 1991. The number of civilian positions to be eliminated resulting from the three consolidations is essentially the same as that submitted in 1991.

Background

In April 1991, DOD submitted to the Commission the Army's plans to consolidate its research and development laboratories into several specific organizations, including the Army Research Laboratory, the Medical

¹Military Bases: Navy's Planned Consolidation of RDT&E Activities (GAO/NSIAD 92-316, Aug. 20, 1992).

²In October 1991, the Combat Materiel Research Laboratory was renamed the Army Research Laboratory.

Research and Development Command, and the Corps of Engineers Laboratory. The Army's plan was approved by the Commission and endorsed in September 1991 by the Federal Advisory Commission on Consolidation and Conversion of Defense Research and Development Laboratories. The Army's estimated cost to implement the closures and realignments required for the consolidation was \$318 million, with recurring annual savings of about \$51 million.

Military Construction Costs

The estimated cost of military construction associated with the establishment of the Army Research Laboratory has increased slightly since the Army submitted its estimate in April 1991. The total construction cost then was estimated to be \$231 million of the \$318 million one-time cost; the current cost estimate is \$234 million. According to an Army Research Laboratory official, the Army Corps of Engineers developed an estimate of \$192.5 million, including inflation, to build laboratory facilities at Adelphi and Aberdeen Proving Grounds, Maryland. According to an Army official who ran the Cost of Base Realignment model in the 1991 base closure round, a factor of 20 percent for planning and design was added to the Corps of Engineers estimate to get the \$231 million used in the Cost of Base Realignment. The estimate in the February 1992 budget for construction is \$195 million. The Army budget also adds 20 percent for planning and design, which gives the total current estimate of \$234 million.

Personnel Savings

Virtually all of the estimated savings from the Army laboratory consolidations would result from the elimination of civilian personnel positions. In the 1991 base closure round, the Army estimated that the three consolidations would save 969 civilian positions, the figure used in the Cost of Base Realignment. The current estimate of 965 position eliminations is only slightly less. Manpower documents reviewed at the Army Research Laboratory support plans to reduce 774 positions. Department of Army headquarters officials provided documents supporting plans to reduce 119 civilian positions in the Medical Research and Development Command, the same number submitted in 1991. They also provided a document supporting the reduction of 72 positions, 4 less than the number submitted in 1991.

Scope and Methodology

We conducted our review between December 1992 and March 1993 in accordance with generally accepted government auditing standards. We interviewed officials at the Department of Army Headquarters and the

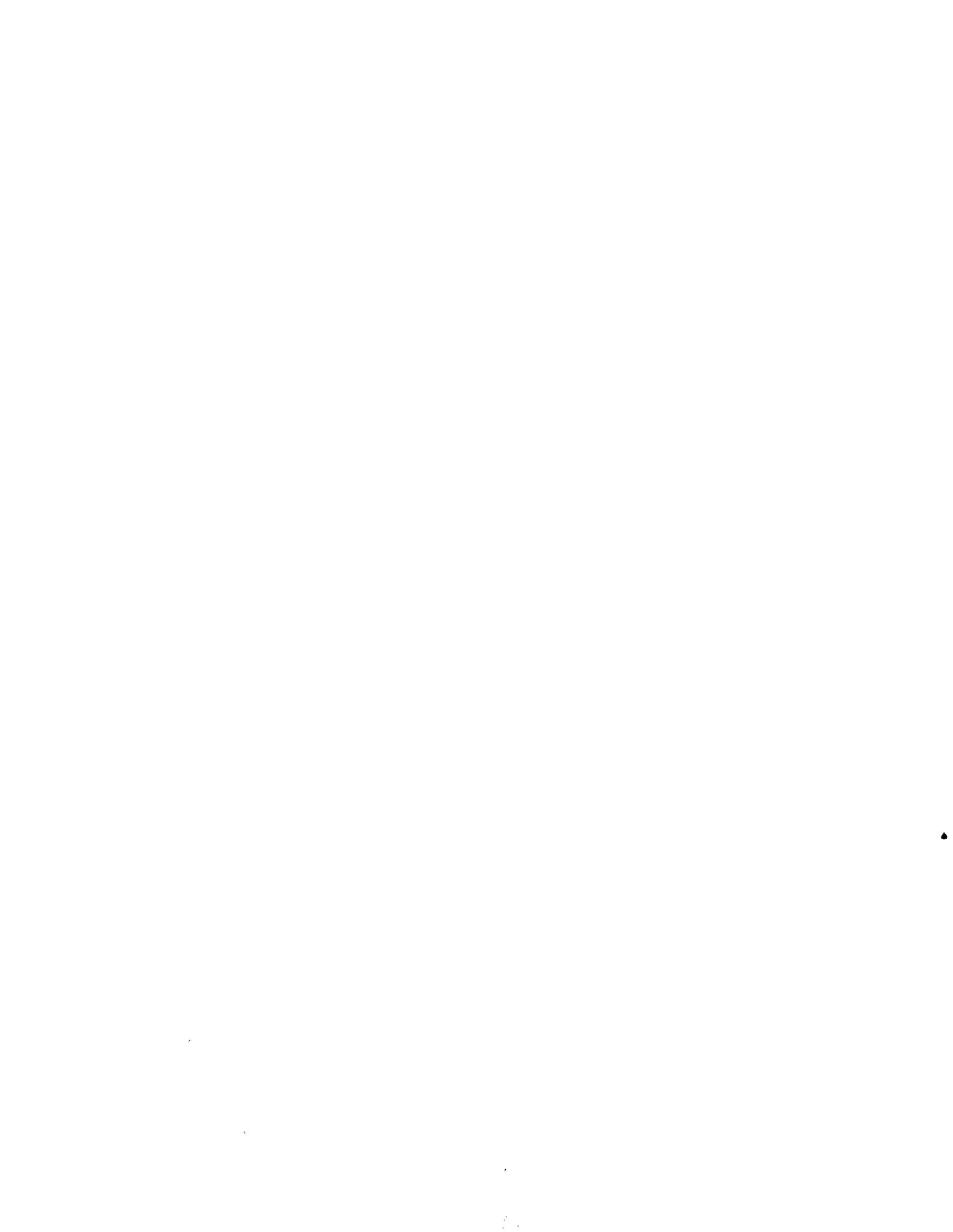
Army Research Laboratory. We also obtained and reviewed documents from those two activities. We discussed our draft report with Department of the Army Headquarters officials and they concurred with our findings.

We are sending copies of this report to the Chairmen, Senate and House Committees on Armed Services; the Secretary of the Army; and other interested parties. We will also make copies available to others on request.

Please contact me at (202) 512-8412 if you or your staff have any questions concerning this report. Major contributors to this report were John Klotz, Assistant Director and Ray Cooksey, Evaluator-in-Charge.



Donna M. Heivilin
Director, Defense Management
and NASA Issues



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